

**SPECIAL PAYMENTS TO PROSPECTIVE PAYMENT SYSTEM (PPS) HOSPITALS**

## 4.19 Payments for Remedial Care and Services

**Inpatient Hospital Services**

Updating of Payment for Transfer Cases: The Bureau will evaluate the need to modify the level of payment for transfer cases on an annual basis using the methodology as described in Sections 11 and 12.

**J. Special payments to prospective payment system (PPS) Hospitals**

Providing a Special Payment plan to enhance payments statewide to all hospitals participating in the West Virginia-PPS.

**A. General Criteria for Hospital Participation:**

1. Must be a West Virginia licensed inpatient acute care hospital;
2. Must be enrolled as a WV Medicaid provider;
3. Must be a participant in the WV Medicaid's PPS; and,
4. Must be designated as a Rural PPS or Urban PPS hospital by the Bureau. Designation will be pursuant to the Core Based Statistical Area (CBSA) classification as an Urban PPS hospital. The Bureau will designate a hospital as a Urban PPS hospital based on the CBSA's Metropolitan Core Based Statistical Area (MCBSA) classification. Hospitals outside the MCBSA classification will be designated rural hospitals. The State's MCBSAs will be updated at the beginning of the State Fiscal Year (SFY) following the U.S. Census Bureau's reconfiguration approval date.

**B. Payment Methodology:**

1. Payment will be calculated based on each provider's percentage of its Medicaid paid DRG days to its assigned groups. Medicaid paid DRG days times the distribution amount designated to that particular group.
2. Using the payment calculation J.B.1. above, interim payments will be determined and issued to each provider on an interim basis. Interim payments will be calculated using the historic Medicaid paid DRG days and exclude Medicare/Medicaid crossover days, for each providers' paid days count and each pools' total paid days count. Subsequent years' interim payments will likewise use the most recent available data from West Virginia Medicaid's Data Warehouse Information System to establish the interim payment amounts for each following year.

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